

**ACCOUNTING EXAMINING BOARD  
MINUTES  
MADISON, WISCONSIN  
OCTOBER 6, 2000**

**PRESENT:** Frank Probst, Jim Johnson, Frederick Franklin, Sharon Hamilton, and Thomas Kilkenny

**EXCUSED:** Roman Jungers

**STAFF PRESENT:** Alfred Hall, Bill Dusso, and Jan Neitzel; Jan Bobholz was present for portions of the meeting.

**GUESTS:** Arland Stone-WAA  
LeRoy Schmidt-WI CPA

**CALL TO ORDER**

The meeting was called to order at 9:05 a.m. by Frank Probst. A quorum of 5 members was present.

**AGENDA**

**MOTION:** Jim Johnson moved, seconded by Sharon Hamilton, to approve the agenda as published.

**MINUTES (08/18/00)**

**MOTION:** Jim Johnson moved, seconded by Sharon Hamilton, to approve the minutes as written. Motion carried unanimously.

**ADMINISTRATIVE REPORT**

**Secretary Cummings' Report**

Alfred Hall reported that Secretary Cummings was not available and that he would forward any questions or comments from the Board to the Secretary.

**Bureau Directors Report**

- Board Roster

Jim Johnson and Sharon Hamilton made changes to their e-mail addresses.

- 2001 Meeting Dates/To-Do List

The Board discussed application review and determined the following schedule for 2001.

January 18	Jim Johnson
March 15	Sharon Hamilton
May 17	Tom Kilkenny
August 16	Frederick Franklin
October 19	Frank Probst
December 13	Romy Jungers

The Board agreed to continue with the same case screeners, Sharon Hamilton, Roman Jungers, Jim Johnson, and to add Tom Kilkenny.

- 10/00 Regulatory Digest Draft

The Board reviewed the working draft of the Regulatory Digest and recommended several changes.

Tom Kilkenny will write a summary in place of the “teardrop” and Jim Johnson will report on the 2000 annual meeting.

Alfred Hall stated that the next Regulatory Digest will have articles on the code of conduct, contingency fees, and being an expert witness.

### **Applications Reviewed**

The following applicants for public accounting were issued a credential, pursuant to staff delegation. Applicants applied, based on examination, transfer of credit from another state (identified by #) and endorsement of license from another state (identified by \*).

Approved – 24

BERGET, TONYA M 09/27/2000  
BUHL, TIMOTHY J 10/03/2000  
BUTH, JEFFREY R 09/12/2000  
CHRISTENSEN, LEE J \* 09/14/2000  
DISTEFANO, PATRICK J 09/06/2000  
FISCHER, KATHLEEN E 10/03/2000  
FRIEDERICH, DANIEL G # 10/03/2000  
GILLEN, JOHN J \* 09/06/2000  
HAMPTON, PATRICIA A 10/03/2000  
IDA, STACY A\* 10/03/2000  
IORDANOVA, SILVIYA S 09/14/2000  
KANUIT, AMY L \* 09/22/2000

LECLAIR, TIMOTHY W \* 09/27/2000  
LEVEILLE, AMY L 10/03/2000  
LOEKS, KRISTY D \* 09/27/2000  
MOORE JR, H PHILLIP \* 09/22/00  
OLSON, JADE W 10/03/2000  
PALERMO, ANTHONY R 09/06/2000  
PELLINO, WILLIAM M 09/14/2000  
RIESTERER, STEPHANIE M 09/14/2000  
SCHULER, JOHN R 09/27/2000  
SCHULTZ,JEFFREY A 10/03/2000  
SKELTON, MICHELLE L 09/06/2000  
WYWIALOWSKI-BALL, LAUREN L 10/03/00

### **To Pass Folder**

Information was circulated in the To-Pass Folder and duly noted.

## **LEGISLATIVE ISSUES**

Nothing to report.

## **ADMINISTRATIVE RULES**

### **Rules That Need to be Updated Consistent With Comparison of Model Code of Conduct and Rule**

The update of the Model Code of Conduct and a discussion on the contingency fee agreement will be addressed at the December 1, 2000, meeting.

## **ALTERNATIVE PRACTICE STRUCTURES**

Jim Johnson discussed the alternative practice structure and stated that the profession as a whole is leaning toward single entities.

LeRoy Schmidt reported that the WICPA has not come to any conclusions on ownership regarding the alternative practice structure and the UAA. He also reported that NASBA has forwarded the information to their ethics committee.

## **STRATEGIC PLANNING**

Nothing to report.

## **NASBA**

### **2000 NASBA CPA Examination Review Board Management Letter, AICPA Board of Examiners Response; NASBA Examinations Committee Conclusion**

The Board received a copy of the September 5, 2000, letter from David A. Vaudt, Chair of the NASBA Examinations Committee, relating to the Examination Review Board management letter. Noted.

### **Look Back Agreement**

Tom Kilkenny reported that the SECC has come to an agreement on the random testing of firms who do their own audit reports.

### **Report on NASBA Annual Meeting**

Jim Johnson reported on the annual NASBA meeting in Boston, Massachusetts, September 17-20, 2000, and stated that he would like the NASBA Mission Statement and Goals in the Regulatory Digest.

Mr. Johnson reported that Frank Probst has been appointed to a committee to restructure the Board of Examiners.

The Board discussed Tom Kilkenny's proposal to send the Board Chair or another member of the Board to attend the NASBA annual meeting and the regional meeting each year. The Board also agreed that one other Board member should attend the annual meeting.

The Board requested that Alfred Hall explore the possibility of sending two Board members to the NASBA annual meeting and one Board member to the regional meeting. Mr. Hall will report on this matter at the next meeting.

Alfred Hall explained the function of an Umbrella Agency.

Jim Johnson reported that the next annual meeting will be held October 14-17, 2001, in Danif Point, California.

### **Information on Regional Meeting**

The next regional NASBA meeting will be held in Portland, Maine from June 6-8, 2001.

### **Revised Proposed Examination Administration Security Standards**

The Board discussed “time zone cheating” and agreed that a person may enter the examination up to one hour past the start time, with no extra time allotted to take the exam, and may not leave for two hours after the entrance time.

## **AICPA**

### **Fees Charged for the Development and Grading of the Uniform CPA Exam**

The Board asked the following questions relating to the proposed computer-based test:

What will the cost be to the applicants?

How can an essay part be administered and graded?

How can a computer-based test be implemented and applied?

Where could a computer-based test be given?

What amount and type of security will be needed?

### **Selection of a Vendor to Handle Delivery of the Computer-Based Test**

The Board received a copy of the September 5, 2000, letter from Craig E. Mills relating to the selection of a vendor to handle delivery of the computer-based test. Noted.

## **EXAMINATION STATISTICS**

The Board received a copy of the October 6, 2000, examination statistics. Noted.

## **BOARD MEMBER ACTIVITIES**

Jim Johnson reported that he attended the NASBA annual meeting held in Boston, Massachusetts, September 17-20, 2000.

## **PRACTICE ISSUES**

Nothing to report.

## **MISCELLANEOUS INFORMATION/CORRESPONDENCE**

### **Clarification of Sole Proprietor Using Firm Name to Imply Multiple Ownership**

The Board discussed a request to allow the use of “& associate(s)” for sole proprietorships. The Board agreed that “& associates” suggests equity interest which could mislead the public and should not be used for a sole proprietorship.

### **Johnathon Becker, Ethics**

Alfred Hall contacted Johnathon Becker, Ethics Board Legal Counsel, for a telephone conference. Mr. Becker does not recommend being an expert witness in the board member's home state and that the Ethics Board needs to be contacted either by phone for an immediate answer, or in writing, before participating as an expert witness.

The Board requested that a memo be written clarifying that, according to Johnathon Becker, contacting the Ethics Board regarding testifying as an expert witness in a judicial matter is specifically relating to malpractice cases.

### **Comments on Proposed Revision to SEC Auditor's Independence Requirement**

The Board received a copy of the September 1, 2000, letter from the Oklahoma Accountancy Board relating to the proposed revision of the SEC's Auditor Independence Requirements. Noted.

### **NEW BUSINESS**

Nothing to report.

### **RECESS TO CLOSED SESSION**

**MOTION:** Sharon Hamilton moved, seconded by Frederick Franklin, to convene the meeting in Closed Session pursuant to Sections 19.85(1)(a), (b), and (f), Wis. Stats., to consider the licensing or discipline of a person licensed by the Board or the investigation of charges against such a person. Specifically, to discuss the issue of case status reports, case closings, and deliberations on stipulations that may be signed after printing of the agenda. Motion carried unanimously by a roll call vote: Jim Johnson-yes; Frederick Franklin-yes; Sharon Hamilton-yes; Thomas Kilkenny-yes; and Frank Probst-yes.

Open Session recessed at 12:13 p.m.

### **CLOSED SESSION**

The Board received a copy of the Division of Enforcement Case Status Report.

The Board deliberated on pending applications, an administrative warning and case closings.

### **RECONVENE IN OPEN SESSION**

By consensus, the Board reconvened the meeting in Open Session at 12:42 p.m. Motion carried unanimously.

## **VOTING ON ITEMS CONSIDERED OR DELIBERATED UPON IN CLOSED SESSION**

### **CASE CLOSINGS**

**MOTION:** Frederick Franklin moved, seconded by Jim Johnson, to close the following case and to include a letter indicating the action recommended by the Board advisor. Motion carried unanimously.

00 ACC 004 Insufficient evidence

### **ADMINISTRATIVE WARNING**

#### **Robert W. Hoenecke**

**MOTION:** Sharon Hamilton moved, seconded by Tom Kilkenny, to issue an Administrative Warning to Robert W. Hoenecke. Motion carried unanimously.

### **APPLICATION REVIEW**

**MOTION:** Sharon Hamilton moved, seconded by Frederick Franklin, to approve the following applications reviewed on October 6, 2000. Motion carried unanimously.

#### **FOR REGISTRATION AS A CERTIFIED PUBLIC ACCOUNTANT**

Applicants applied based on examination, transfer of credit from another state (identified by #) and endorsement of license from another state (identified by \*).

Approved 49

AMSTADT, TINA H  
ANDERSON, KRISTANA M  
BEAUCHAMP, RYAN J  
BEDKER, PAMELA M  
BERLINSKI, ANDREW T  
BROCKMAN, ALICIA M  
BROWN, CHRISTINE E  
BRUDOS, JEFREY A  
CAYLOR, MELISSA C  
CHARON, CAROL J  
COATS, ELIZABETH A  
DICRISTO, JAMES P  
DIK, MELINDA K  
FINEOUR, DEBORA L  
FRANSSON, PERNILLA M  
FRESCH, PAMELA J #  
GRABBERT, GERALDINE L  
GREY, MICHAEL J  
GRIMES, MICHAEL Z  
GRINNELL, AMY J

HEWINES-RAND, SHARON M  
HOPPE, LANA J \*  
JOHNSON, GREGORY P  
KELLER, DAWN M  
KITSEMBEL, SARAH J  
LANDOLT, KENNETH A  
ARSON, BETH A \*

LEDVINA, JEAN M  
LISS, REBECCA L  
MADAY, CHRISTINA M  
MCMAHON, JAY M  
MUELLER, JONATHAN T  
MYSKA, CARY L  
NORD, SHERRY L  
OPPREIECHT, ELEANOR Y  
POWERS, JENNIFER A  
PROBERT BLOOM, DENISE C  
RAHN, REBECCA L  
RITZOW, BRIAN L

GRINWALD, MICHAEL G  
GRUNEWALD, STEPHEN L  
GUMM, DANIEL R  
HALL, WENDI S  
HANSON, KELLY J #

THORNTON, FREDERICK H  
TOENNIES, LISA M  
WEIRAUCH, ALICE E  
WINTHEISER, TODD G #  
ZUEHLKE, TIMOTHY

Intent to Deny – 1

**MOTION:** Sharon Hamilton, seconded by Frederick Franklin, to issue an intent to deny on the following application. Motion carried unanimously.

LESI, ASIMI A

Deny – 2

**MOTION:** Sharon Hamilton moved, seconded by Frederick Franklin, to deny the following applications.

EFFENHEIM, JOHN A  
THORPE, JOSEPH W

The Board discussed the application of Clayton Hackbarth and referred a question relating to experience as a senior accountant to Board Legal Counsel. The Board will make a decision at the December 1, 2000, meeting.

#### **ADJOURNMENT**

**MOTION:** Sharon Hamilton moved, seconded by Jim Johnson, to adjourn the meeting at 12:49 p.m. Motion carried unanimously.